



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

November 1, 2007

CERTIFIED RETURN RECEIPT
7002 0510 0003 8603 4148

Frank Ginton
Black Sands Holding Company
2939 South Tamarac Street
Denver, Colorado 80231

Subject: Need for Amendments and Cleanup Work; Black Sands Holding Company; Black Sands 47287, 47279, 47280, 47281, 47278, and 47288 Mines; S0470081, S0470082, S0470083, S0470084, S0470085, and S0470086; Uintah County, Utah

Dear Mr. Ginton:

It has come to the attention of the Division of Oil, Gas and Mining that Black Sands Holding Company no longer has leases with the School and Institutional Trust Lands Administration for the referenced mine sites. The Notices of Intention (Notices) for these mines all show that you have right of entry, at least for the mineral rights.

If this is correct, the Notices need to be updated to show the correct right of entry information. If you no longer have right of entry, this needs to be shown in the Notices. By November 23, 2007, please provide replacement pages that can be inserted into the existing Notices. Please also include copies of form MR-REV-SMO/EXP (blank copy enclosed) for each of the mine sites.

On September 11, 2007, Division inspector Paul Baker visited the Black Sands 47287 Mine (S0470081). Most of the equipment has been removed, but among those items still present were 10 barrels of pentane and 13 barrels of hexane. The material safety data sheets for these chemicals say they should be stored in cool, dry, well-ventilated facilities designed for flammable liquids. For pentane, the recommended temperature is 22°C. Outdoor storage where the summertime temperature may exceed 35°C and where the containers are exposed to rain and snow does not meet these criteria.

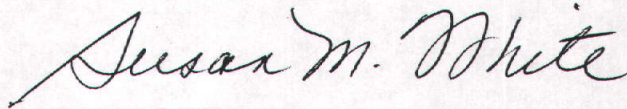


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S0470081 through S0470086
November 1, 2007

The Division requires that, by November 23, 2007, the containers be removed from the mine site. If the containers are still present after this date, you will potentially be subject to enforcement action. The basis of this requirement is rule R647-3-107.4 which says, "All deleterious or potentially deleterious material shall be safely removed from the site or left in an isolated or neutralized condition such that adverse environmental effects are eliminated or controlled."

If you have questions about these requirements, please contact Paul Baker at 801-538-5261 or me at 801-538-5258. Thank you for your cooperation.

Sincerely,

A handwritten signature in cursive script that reads "Susan M. White".

Susan M. White
Mining Program Coordinator
Minerals Regulatory Program

SMW:PBB:pb
cc: Will Stokes, SITLA
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Application to Revise a Notice of Intention to Commence Small Mining Operations or Exploration

Operator:			
Mine Name:			File Number: E or M/ /
Provide a detailed listing of all changes to the Notice that will be required as a result of this change. Individually list all maps and drawings that are to be added, replaced, or removed from the Notice. Include page, section and drawing numbers as part of the description.			
DETAILED SCHEDULE OF CHANGES TO THE NOTICE			
			Description of map, text, or materials to be changed
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
ADD	REPLACE	REMOVE	
I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.			
Print Name		Sign Name, Position	
		Date	

Return to:

State of Utah
Division of Oil, Gas and Mining
Attn: Minerals Regulatory Program
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Phone: (801) 538-5291 Fax: (801) 359-3940

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FOR DOGM USE ONLY:	
File #: M/ /	
Approved: _____	
Bond Adjustment: from (\$) _____	
to \$ _____	